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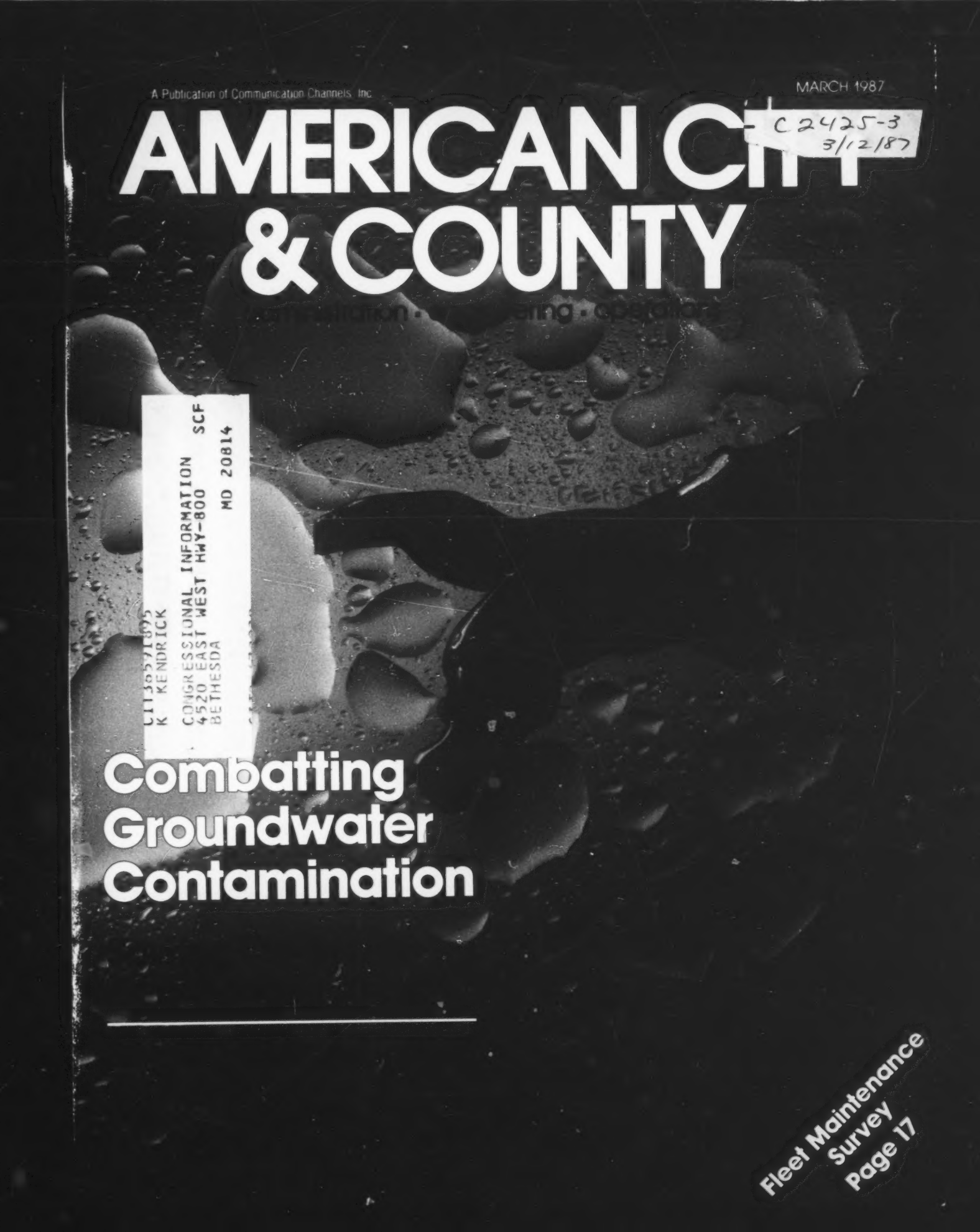

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Combatting Groundwater Contamination

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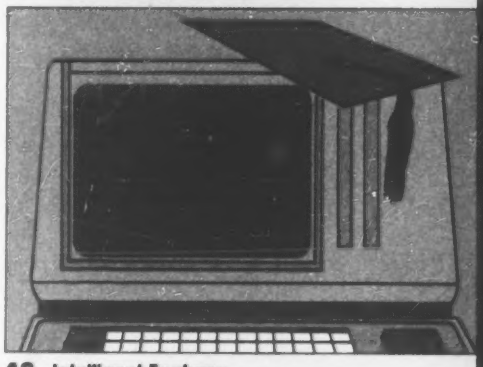

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Congress Overrides Clean Water Veto

Members of the 100th Congress barely took time to warm their chairs at the opening of the new session in January before introducing legislation authorizing billions of dollars for sewage treatment and highway and mass transit programs.

The first measure introduced in both the House and the Senate — a clean water bill identical to one President Reagan pocket-vetoed at the end of the last session — is now law, and local governments can forge ahead with plans to fund water treatment programs. The clean water bill moved quickly through Congress, passing by overwhelming votes in both houses, and was on the president's desk for a signature by the end of January.

In his first confrontation with the new Democratic-controlled Congress, the president vetoed the bill in early February, calling it a "budget-buster ... loaded with waste and larded with pork." The House and the Senate, however, voted to defy the president, overriding the veto by healthy margins.

"The president's veto (was) an unfortunate mistake," said Sen. John Chafee of Rhode Island, who previously chaired the Senate Environment and Public Works Environmental Subcommittee, in a written statement. "This is a good bill and the president missed an opportunity to join us in taking an important step toward a cleaner environment."

The new law is an extension of the 1972 Clean Water Act, which was enacted to force municipalities and industries to control pollution by cleaning wastewater before discharging it into waterways. The law authorizes $18 billion in federal aid to state and local governments over the next eight years for construction of sewage treatment facilities and $2 billion for related water pollution cleanup. While $9.6 billion of those funds will go toward direct federal grants to states, $8.4 billion would be used to establish state-operated revolving loan funds that would eventually phase out federal aid.

"This is a very important piece of legislation," says Randy Arndt of the National League of Cities. City and county administrators "can begin to make longer-term commitments and put into place some plans to continue the cleanup of wastewater conditions in their area," he notes. The provision to set up the long-term funding mechanism is a particular benefit for cities, he says, as are the regulations for stormwater runoff in the new law.

The stormwater runoff provision says municipalities with less than 100,000 residents do not need permits for stormwater sewers, unless a known pollution problem exists. Permits are required, however, for discharges from industrial activity and sewer systems in cities with more than 100,000 people.

Unlike the water bill, the federal highway aid program, though moving along, will proceed in the slower lane because approved House and Senate versions are so disparate. In January, the House passed a 5-year, $91.6-billion highway and mass transit program, authorizing funds to complete the interstate highway system, and construct and repair other major roads.

The Senate spent several days debating the bill in early February and finally approved a $65.4-billion aid package, setting the stage for a debate with the House on costs and features of a final bill. The Senate measure would raise the national speed limit to 65 mph on rural interstate highways, while the House version would authorize funds for about 90 demonstration projects.

These disparities, along with funding level differences, could take weeks for a conference committee to iron out, say staffers on the Hill, though they express hope Congress can act quickly to save highway programs. Meanwhile, President Reagan has indicated he will veto any bill he considers "excessive," an administration official warns.

Now, with each month that passes, more projects are being stalled, according to state highway officials. Many states, particularly in the North, are concerned the current highway construction season could be lost if the release of federal highway revenue to the states is not reauthorized by March.

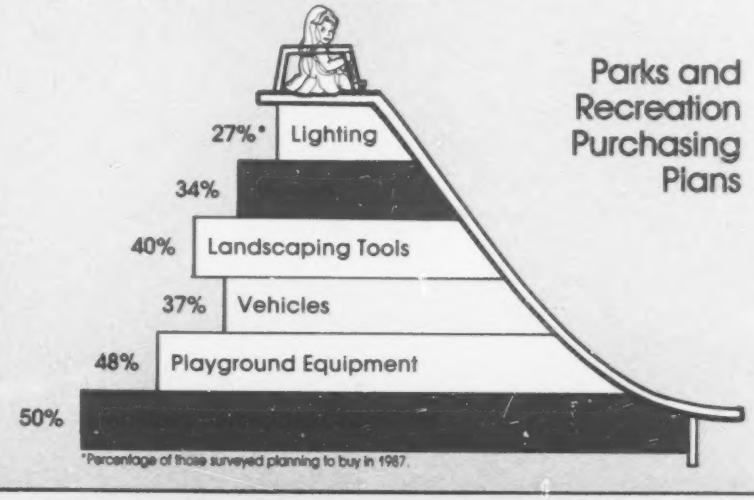
The American Association of State Highway and Transportation Officials (AASHTO), in a survey sent to 50 state highway and transportation departments, has determined 424 projects valued at nearly $684 million already have been postponed. If legislation is not enacted by the first of March, 767 projects valued at $1.2 billion will be delayed.

If a conference committee can hammer out a bill by early March, AASHTO representative Bill Higgins says "it would be a pretty good shot in the arm."

— Ellen Perlman

Survey Spotlight

In an exclusive *American City & County* survey, park and recreation directors said they planned to purchase the following in 1987:



'Banner Year' Seen For Tort Reform

Lester Poggemeyer, president of the American Consulting Engineers Council (ACEC), predicts tort reform will rank high on legislative agendas in 1987. "Although more than 20 state legislatures enacted some kind of tort reform in 1986, we're still declaring 1987 as the banner year for tort reform," he says.

Consulting engineers, who are greatly

MUNICIPAL COST INDEXES

For the first time in more than a year, the **Municipal Cost Index** for March did not change from February's figure of 341.4. The index's stability is due to slight increases in the **Construction Cost Index** and **Consumer Price Index**, and a minute decrease in the **Producer Price Index**. The producer price drop is the first this year, leaving that index well below figures from one year ago.

In this month's marketbasket, several commodities showed slight decreases, including lubricants, lumber, plywood and tires. Gaining were diesel fuel, fuel oil No. 2, gasoline and portland cement.

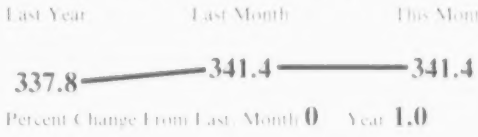
—Compiled by Joe Morris

THIS MONTH'S MARKETBASKET

	Current Index	Percent Change From: Last Month	Last Year
Air Conditioners	148.9	.1	.8
Apparel	184.1	.6	.4
Asphalt Roofing	371.7	.9	8.7
Books	142.7	.1	4.5
Chemicals, Industrial	316.9	.3	6.0
Coal	535.0	0	1.1
Concrete Products	324.6	.2	.2
Construction Machinery	370.7	.2	2.0
Diesel Fuel	357.4	5.1	49.7
Electric Components	203.1	.1	2.4
Electric Lamps	346.9	.1	0
Electric Power	447.0	.3	1.0
Engines, I.C.	353.8	0	1.9
Fans, Blowers	366.5	0	1.5
Fertilizers, Mixed	245.5	0	3.6
Floor Coverings	196.7	0	3.1
Flow Instruments	238.2	.2	2.5
Footwear	263.8	.1	2.0
Foundry Products	363.3	.5	.1
Fuel Oil No. 2	385.6	4.7	48.9
Furniture	320.9	0	2.3
Gasoline	316.2	1.5	44.6
Generator Sets	352.6	.1	.4
Glass	233.0	1.5	.1
Glass Containers	402.0	.1	3.9
Gypsum Products	347.4	1.4	2.5
Hardware	305.3	.1	.8
Heating Equipment	271.7	.1	3.7
HVAC Controls	131.7	.2	3.9
LP Gas	294.2	.9	52.4
Lubricants	346.3	1.2	5.9
Lumber	349.5	1.0	6.5
Metal Fabrications	316.8	.3	.6
Millwork	318.1	.2	1.8
Motor Vehicle Parts	358.9	.3	.9
Mowers	264.2	.2	.9
Natural Gas	1023.7	6.8	21.6
Office Machines	155.2	.1	1.0
Paint	281.9	.2	1.3
Paper	313.4	.2	4.1
Passenger Cars	247.7	.7	6.6
Plumbing Fixtures	322.2	.2	2.4
Plywood	233.7	.6	1.3
Portland Cement	341.5	1.9	4.3
Residual Fuel	479.7	6.4	49.8
Sand, Gravel	319.1	.3	2.9
Sanitary Papers	382.3	.5	.8
Soaps, Detergents	267.6	2.4	3.2
Sporting Goods	207.9	0	2.1
Steel Mill Products	349.7	.2	4.1
Struc. Clay Products	308.8	.6	2.3
Switchgear	285.8	0	1.4
Tires, Tubes	230.9	0	1.9
Transformers	234.8	1.0	.8
Trucks	348.2	.1	3.8
Valves	107.4	.1	1.5
Wire, Cable	204.7	0	.5
Wiring Devices	380.0	.2	4.5

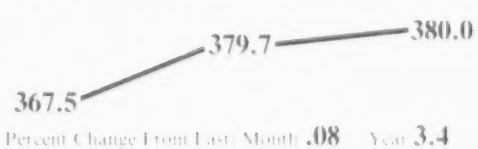
At-A-Glance Changes

MUNICIPAL COST INDEX



Percent Change From: Last Month 0 Year 1.0

CONSTRUCTION COST INDEX

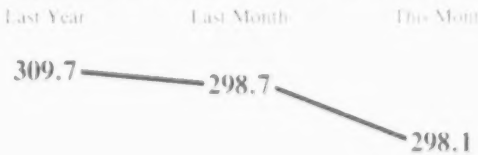


Percent Change From: Last Month .08 Year 3.4

CONSUMER PRICE INDEX (BLS)

Percent Change From: Last Month .09 Year 1.4

PRODUCER PRICE INDEX (BLS)



Percent Change From: Last Month −.2 Year −3.7

These figures are calculated on a base year of 1967.

QUARTERLY MUNICIPAL TRENDS

	Current Level	Percent Change From: Last Qtr.	Last Year
Receipts	629.1B	2.9	7.7
Federal Grants	108.0B	1.0	7.8
Durable Purchases	22.9B	2.2	9.5
Consumables	36.6B	0.3	5.4
Services	378.8B	1.8	7.6
Structures	66.4B	6.9	15.9
Salaries, Wages	302.9B	1.7	7.1
Surplus	64.0B	8.7	7.6
Employment	13.981M	0.12	2.1